

NASD as a Direct Participation Program Representative ("DR") and Investment Company Products/Variable Contracts Products Representative ("IR") with New England Securities (CRD No. 615) ("New England").

3. On November 7, 2004, the Department of Enforcement of NASD filed Disciplinary Proceeding No. C1004 0030 against Hersh. On November 8, 2004 Hersh submitted an Offer of Settlement that was accepted by the NASD on November 10, 2004. The Order accepting Hersh's Offer of Settlement contained the following findings:

(a) From in or about November 2001 through May 2002, Hersh knowingly falsified, and/or caused to be falsified, variable annuity policy applications for approximately nineteen (19) customers of New England, by recording inaccurate addresses for such customers for the purpose of selling variable annuity contracts that were not approved for sale in the states where the customers actually lived.

(b) On or about March 28, 2002, Hersh knowingly falsified and/or caused to be falsified a variable annuity policy application for a New England customer by recording that the policy application was signed in Miami Beach, Florida when in fact the application was signed in New York.

(c) From in or about November 2001 through in or about May 2002, Hersh knowingly sold unapproved variable contracts to approximately twenty (20) New England customers.

4. Hersh consented without admitting or denying the allegations of the Complaint; to the entry of findings and violations consistent with the allegations of the Complaint, and to the imposition of the sanctions. He also consented to be barred from association with any NASD member in any capacity.

HERSH IS THE SUBJECT OF AN ORDER OF A SELF-REGULATORY
ORGANIZATION EXPELLING HIM FROM A NATIONAL
SECURITIES ASSOCIATION

N.J.S.A. 49:3-58(a)(1)
N.J.S.A. 49:3-58(a)(2)(vi)

5. The preceding paragraphs are incorporated by reference as though set forth verbatim herein.

6. Pursuant to N.J.S.A. 49:3-58(a):

[t]he bureau chief may by order deny, suspend, or revoke any registration if he finds: (1) that the order is in the public interest; and (2) that the applicant or registrant ...(vi)...is the subject of an order of ... a self-regulatory organization ... suspending or expelling him from a national securities or commodities exchange or national securities or commodities association ...; (vii)...has engaged in dishonest or unethical practices in the securities...

7. Having consented to a bar from association with any NASD member, Hersh has effectively been expelled from a national securities association. This is cause, pursuant to N.J.S.A. 49:3-58(a)(2)(vi) to revoke Hersh's agent registration.

HERSH HAS ENGAGED IN DISHONEST OR UNETHICAL PRACTICES IN THE
INSURANCE OR SECURITIES BUSINESS

N.J.S.A. 49:3-58(a)(1)
N.J.S.A. 49:3-58(a)(2)(vii)


8. The preceding paragraphs are incorporated by reference as though set forth verbatim herein.

9. Having consented to findings that he knowingly falsified, and/or caused to be falsified, variable annuity policy applications constitutes dishonest or unethical practices in the insurance or securities business, which is good cause, pursuant to N.J.S.A. 49:3-58(a)(2)(vii), and it is in the public interest, pursuant to N.J.S.A. 49:3-58(a)(1), to revoke Hersh's registration as a securities agent.

10. Based upon the foregoing, the revocation of Hersh's registration is in the public interest and necessary for the protection of investors.

CONCLUSION

For the reasons stated above, it is on this 25th DAY of May, 2005 **ORDERED** that the agent registration of Mitchell Hersh be **REVOKED** pursuant to N.J.S.A. 49:3-58(a)(1), N.J.S.A. 49:3-58(a)(2)(vi), and N.J.S.A. 49:3-58(a)(2)(vii).



Franklin L. Widmann
Chief, Bureau of Securities

NOTICE OF RIGHT TO HEARING

Pursuant to the Uniform Securities Law (1997), N.J.S.A. 49:3-47 et seq., specifically, N.J.S.A. 49:3-58(c), the bureau chief shall entertain on no less than three days notice, a written application to lift the summary revocation on written application of the applicant or registrant and in connection therewith may, but need not, hold a hearing and hear testimony, but shall provide to the applicant or registrant a written statement of the reasons for the summary revocation.

This matter will be set down for a hearing if a written request for such a hearing is filed with the Bureau within 15 days after the respondent receives this Order. A request for a hearing must be accompanied by a written response, which addresses specifically each of the allegations set forth in the Order. A general denial is unacceptable. At any hearing involving this matter, an individual respondent may appear on his/her own behalf or be represented by an attorney.

Orders issued pursuant to this subsection to suspend or revoke any registration shall be subject to an application to vacate upon 10 days' notice, and a preliminary hearing on the order to suspend or revoke any registration shall be held in any event within 20 days after it is requested, and the filing of a motion to vacate the order shall toll the time for filing an answer and written request for a hearing.

If no hearing is requested, the Order shall be entered as a Final Order and will remain in effect until modified or vacated. If a hearing is held, the Bureau Chief shall affirm, vacate or modify the order in accord with the findings made at the hearing.

NOTICE OF OTHER ENFORCEMENT REMEDIES

You are advised that the Uniform Securities Law provides several enforcement remedies, which are available to be exercised by the Bureau Chief, either alone or in combination. These remedies include, in addition to this action revoking your registration, the right to seek and obtain injunctive and ancillary relief in a civil enforcement action, N.J.S.A. 49:3-69, and the right to seek and obtain civil penalties in an administrative or civil action, N.J.S.A. 49:3-70.1.

You are further advised that the entry of the relief requested does not preclude the Bureau Chief from seeking and obtaining other enforcement remedies against you in connection with the claims made against you in this action.